

Information incorporated by
reference in
Product Disclosure Statement
dated 23 January 2017
for an offer of A Shares in

DMS Progrowers Limited

7 February 2018

6. DMS Progrowers' Financial Information

The table on the following page provides key financial information about DMS Progrowers. This information includes the selected financial information required by clause 35 of Schedule 3 of the Financial Markets Conduct Regulations 2014 (as modified in accordance with clauses 39 and 40 of Schedule 3 of such Regulations). If you do not understand this financial information, you can seek advice from a financial adviser or accountant.

Full financial statements are available on the offer register at www.companiesoffice.govt.nz/disclose, offer number OFR11778.

DMS Pro growers Limited - Selected Financial Information						
	31/01/2012 (10mths)	31-Jan	31-Jan	31-Jan	31-Jan	31-Jan
	2012 NZ IFRS	2013 NZ IFRS	2014 NZ IFRS	2015 NZ IFRS	2016 NZ IFRS	2017 NZ IFRS
Financial Performance:						
Revenue	26,401,388	24,090,593	23,588,659	28,625,385	38,570,987	53,448,173
Operating and Administration Costs	20,741,839	19,737,688	19,773,012	24,603,111	30,180,795	41,521,073
Surplus before Rebates, Management Fees & Revaluations (Non - GAAP measure) (Note 1)	5,659,549	4,352,905	3,815,647	4,022,274	8,390,192	11,927,100
Management Fee & Bonus (Note 2)	950,927	935,074	725,241	697,678	2,422,354	4,054,840
Rebates (Note 3)	950,629	846,084	675,154	673,131	1,465,049	3,097,868
Revaluations (Note 4)	1,039,933	992,594	(253,097)	(2,193,173)	-	2,882,031
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	2,718,060	1,579,153	2,668,349	4,844,638	4,502,789	1,892,361
Depreciation and Amortisation	1,050,310	1,204,803	1,021,526	932,181	1,337,789	1,673,072
Earnings Before Interest and Tax (EBIT)	1,667,750	374,350	1,646,823	3,912,457	3,165,000	219,289
Interest Expense	(748,603)	186,291	478,540	586,859	638,304	601,582
Net Profit before Taxation	2,416,353	188,059	1,168,283	3,325,598	2,526,696	(382,293)
Provision for Taxation	319,096	326,132	196,286	290,679	754,909	479,142
Net Profit after Taxation	2,097,257	(138,073)	971,997	3,034,919	1,771,787	(861,435)
(There are no Extraordinary Items)						
Rebates Paid per Tray (pre Tax) (Non - GAAP measure. As declared by Board of Directors) (Note 3)	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.30	\$ 0.30
Dividend per Share (Net)	\$ 0.00	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06
Dividend per Share (incl. Imputation Credits)	\$ 0.01	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08
Dividends paid during the period (Net):						
A Shares	-	380,338	391,076	391,076	390,784	390,785
B Shares	-	378,811	389,506	389,506	389,216	389,216
Total	-	759,149	780,582	780,582	780,000	780,000
Other Key Figures						
Equity Ratio to Total Assets (excl Cash)	46%	46%	46%	51%	49%	41%
Total Assets	30,554,959	28,130,083	28,310,306	32,523,859	39,663,146	49,163,096
Cash and Cash Equivalents	5,924	244,330	7,358	5,975	3,391,497	1,614,151
Bank Overdraft	517,687	-	92,201	906,205	-	-
Total Liabilities	16,386,696	15,386,642	15,303,717	15,853,255	21,956,363	31,123,523
Total Debt (Interest Bearing Liabilities)	9,252,666	8,597,420	7,950,872	8,074,484	9,638,705	16,692,160
Net Cashflows from Operating Activities	4,935,686	3,106,253	1,012,435	1,255,306	6,808,089	6,229,881
Shares on Issue	13,514,667	13,514,667	13,514,667	13,514,667	13,514,667	16,217,598
Net Tangible Asset Backing per Share	\$ 1.05	\$ 0.94	\$ 0.96	\$ 1.23	\$ 1.18	\$ 1.02

Notes on Non- GAAP measures

Note 1: Surplus before Rebates, Management Fees & Revaluations

This is a non-GAAP measure. See reconciliation back to EBITDA (a GAAP measure) in the above table.

Note 2: Management Fee & Bonus

DMS Pro growers has a management contract with DMS Group to supply general management, marketing, accounting and administration services to DMS Pro growers Ltd. The fee for these services is related to the volume of kiwifruit packed and coolstored by DMS Pro growers. DMS Group Ltd also receives a Management Bonus which is calculated based on the DMS Pro growers profit before grower rebates and taxation but after allowing for return on capital of 15%. The total Management Fee & Bonus form part of 'operating expenses' included in the financial statements for the relevant period (e.g. for the year ended 31 January 2017 see note 4 to the 2017 Financial statements). This is a non-GAAP measure. See table below for split between Management Fee and Bonus.

Management Fee	949,508	846,074	673,313	672,678	1,475,994	2,565,248
Management Bonus	1,419	89,000	51,928	25,000	946,360	1,489,592
Total	\$ 950,927	\$ 935,074	\$ 725,241	\$ 697,678	\$ 2,422,354	\$ 4,054,840

Note 3: Rebates

Rebates are paid by DMS Pro growers to contracted Kiwifruit growers who elect to become shareholders in DMS Pro growers Ltd for each tray packed for them by DMS Pro growers Ltd. The amount of the rebate per tray paid in any year is determined at the discretion of the Board. The total rebates paid in each period form part of the 'operating expenses' included in the financial statements for the relevant period (e.g. for the year ended 31 January 2017 see note 4 to the 2016 Financial statements). This is a non-GAAP measure. See table below for reconciliation.

Rebate paid in period	950,629	846,084	675,154	673,131	1,465,049	3,097,868
First 10 cent paid after 31 July	-	-	-	-	-	-
Total Rebate	\$ 950,629	\$ 846,084	\$ 675,154	\$ 673,131	\$ 1,465,049	\$ 3,097,868
No. of trays packed in the relevant season for shareholder growers	4,753,145	4,230,420	3,375,770	3,365,655	4,883,497	10,326,226
Rebate per tray (See Note 3)	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.30	\$ 0.30

Notes on GAAP measures

Note 4: Revaluations

See below table for breakdown of Revaluation as shown in the table of Selected Financial Information.

Impairment of Land & Buildings	-	933,338	-	-	-	2,882,031
Reversal of impairment of Land & Buildings	-	-	-	(1,601,440)	-	-
Movement in fair value of Investments	1,039,933	(18,244)	(302,529)	(591,733)	-	-
Movement in fair value of Biological assets	-	77,500	49,432	-	-	-
Total (as per Selected Financial Information)	\$ 1,039,933	\$ 992,594	\$ (253,097)	\$ (2,193,173)	\$ -	\$ 2,882,031